Global Citrus Scan (2017_37)

John Edmonds (29 September 2017)

Citrus Growers Association (CGA)

U.S.: Sunkist's California mandarin volumes to double in 2017-18

Citrus marketing cooperative Sunkist Growers has announced it will begin shipping mandarins in early November, with volumes expected to double year-on-year. Sunkist said the increased fruit availability has promoted a "fresh twist" on the mandarin program. The program also now leverages the Delite brand name, created by the first family to grow and market Murcott mandarins in California.
[www.freshfruitportal.com; 28 September 2017]

Russian investors inject R100m to save the 'failed' Zebediela farm

A cash injection of R100 million from a Russian investor has helped to rescue a disastrous land restitution venture from collapse, saving hundreds of jobs and providing a financial lifeline to a poor community. The growing success is a beacon of hope in the area of land restitution in South Africa, where more than 80% of commercially used land returned to its indigenous owners since 1994 has failed to stay economically active and provide a living for them. Once one of the biggest citrus producers in the southern hemisphere, Zebediela Citrus Farm in Limpopo is now finally on the road to recovery, according to its occupants. This comes after the Russian investor – a company known as Eight Mile – swooped in to try to save the ailing establishment following a series of legal skirmishes involving an EFF-aligned lawyer, the community that owns the land and other investors…The century-old plot, originally comprising 20 000 hectares of citrus, was handed over to the apartheid government and the ANC government later relinquished ownership to private investors and the community after 1994. Several legal disputes later and after the community tried and failed to run it on its own, new hope dawns for nearly 1 300 permanent and temporary employees who share its ownership. The Russian investor, which is linked to the citrus producer Fruitco, stepped in in February, when the establishment was on the brink of liquidation, promising R100 million…The deal will see the land owners, who received their title deed in 2003, receive R2.5 million in annual rent payment and a 50% profit share. The investors will also be providing between R60 million and R90 million in running capital… Zebediela was established in 1918 by Henry Slazenger. It was later turned over to the apartheid government under the ARDC (Agricultural and Rural Development Corporation)…
[www.citizen.co.za; 29 September 2017]

Spain: Optimism ahead of upcoming citrus campaign

Producers have "good prospects" ahead of the upcoming citrus campaign, at least according to what was said in the meeting of the citrus sector held on Monday evening by Fepac-Asaja, which confirmed the decline in the production recently forecast by the Regional Council of Agriculture, as stated by the technical secretary of the agrarian organization, Doménec Nàcher. With the prospect of a smaller harvest volume, it would be logical to expect higher prices. In fact, according to Nàcher, "good prices are already being paid for the early varieties." …Growers consequently have "good prospects" after the disastrous campaign of the previous year, although, as always, "we will have to keep an eye on the sky," said Fepac's secretary.
[www.freshplaza.com; 28 September 2017]

RSA citrus closes in on forecast

South African citrus export volumes is expected to get close to the original season forecast despite the effect of drought and other problems on growers in various areas. With the last weeks of shipping at hand, it is predicted that the country will send just over 118m cartons this season, which will be just below the original 2016/17 estimate of 122.7m cartons, but nearly 10m cartons higher than last season. Grapefruit, at 15.7m cartons, has ended almost 1.7m cartons higher than last season while soft citrus (13.8m cartons) is showing a significant increase on the forecast and lemons are expected to end up 1m cartons over the estimate. Valencia oranges, the biggest part of the crop, will end up about 1m cartons short of the estimate of 50.1m cartons. The only sector that has not really performed well is navels, which at 21m cartons will be about 5m cartons down on last year. Observers say the South African citrus industry is still in a growth spurt that will see it reach 130m cartons a season soon. The most important contributors to this will be soft citrus and lemons, which have seen heavy new plantings in recent years. Meanwhile, the Citrus Growers' Association's Justin Chadwick said South African citrus was stamping its mark in Asia. "This is despite many competitive imbalances," he explained. "Competitors have supportive governments negotiating a myriad of partial and free trade agreements, giving their traders a distinct advantage."
Nevertheless, he noted, the unique taste, excellent quality and range of product, coupled with dedicated exporters who go the extra mile, as well as attractive pricing, have resulted in South Africa being the Southern Hemisphere's number one citrus exporter to Asia…
[www.fruitnet.com/eurofruit; 21 September 2017]